Increased prices of some grades of Coal

2092. SHRI V. RAJESHWAR RAO: DR. SHRIKANT RAMCHANDRA JICHKAR:

Will the Minister of COAL be pleased to state:

(a) whether it is a fact that the Eastern Coalfields Ltd. on two occasions i.e. on 22nd March, 1996 and 30th May, 1996 had increased the prices of A,B,C grades of coal, even when the Model Code of Conduct was in operation for the elections;

(b) what was the margin of increase in prices per tonne;

(c) what was the reason for such an increase; and

(d) whether due to this increase the cement industry is now importing coal which is now cheaper to them?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) Pricing of coking coal and A, B, and C grades of non-coking coal was deregulated by the Government with effect from 22.3.1996. On and from 22.3.1996, Coal India Limited (CIL) and Singareni Collieries Company Limited became competent to fix prices of these varieties of deregulated coal themselves. CIL revised the prices of A, B and C grades of non-coking coal with effect from 1.4.1996. There has been no further revising in prices of these grades of coal of Eastern Coalfields Limited (ECL), a CIL subsidiary. Revision of coal prices by the Government/coal companies does not fall within the purview of Model Code of Conduct issued by the Election Commission.

(b) On account of revision of A,B and C grades of non-coking coal by CIL from 1.4.1996, the increases in prices of A,B and C grades of non-coking coal of ECL over their last regulated prices were Rs. 129/- per tonne, Rs. 106/- per tonne and Rs. 77/- per tonne respectively.

(c) The prices were revised by CIL to make them commensurate with the cost of production of coal taking into account the increase in costs since the last price fixation.

(d) The impact of price revision with effect from 22.3.1996 on the cement sector is of the order of Rs.14.16 per tonne only. Even with such increase, the price of Indian coal turns out to be cheaper than the imported coal.

Production capacity of Steel Plants in the country

2093. SHRIMATI JAYANTI PATNAIK: Will the Minister of STEEL be pleased to state:

(a) the initial capacity of steel plants in the country;

(b) whether this is adequate to meet the requirement;

(c) the additional capacity coming up through new plants or extension of existing plants;

(d) whether by the year 2000 the supply will match the demand; and

(e) whether the export of steel is being made and if so to what extent?

THE MINISTER OF STEEL AND MINISTER OF MINES (SHRI BIRENDRA PRASAD BAISHYA): (a) the installed capacity of crude steel in the country as on 31.3.96 was estimated to be 27.38 million tonnes.

(b) Yes, Sir. By and large the installed capacity of steel plants in the country is adequate to meet the requirements. In addition to meeting the domestic demand, India has also emerged a major exporter of steel. We are also importing certain categories of steel products.

(c) The additional saleable steel capacity coming up as a result of current modrnisation/expansion of existing steel plants (SAIL & TISCO) and the new steel plants currently under implementation would be about 9.48 million tonnes.